

A photograph of the Texas State Capitol building in Austin, Texas, featuring its iconic dome and classical architecture. The image is overlaid with a semi-transparent design consisting of thin grey lines forming a grid and diagonal patterns. The text 'PROJECT SMOKEOUT' is prominently displayed in the upper left quadrant in a black, monospaced, all-caps font.

PROJECT SMOKEOUT

**EXPOSING TOBACCO
INDUSTRY ACTIVITY
IN TEXAS**

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research provided
for the
American Cancer Society, Texas Division

by
InfoImagination
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EXECUTIVE SUMMARY

— IN THEIR OWN WORDS —

Industry's strategy to defeat health educators [p.9]

"...you win if the public and the press believe you are reasonable and the radicals are unreasonable"

Using third-parties as industry front groups [p.5]

"Falkiewics sent me a copy of a favorable article on smoking, cholesterol, coffee, and health in the February American Scholar by Dr. William Nolen... We should be dropping reprints of it from airplanes over the [sic] every national and state capitol where anyone is dictating restrictions on smoking or food products... he encourages skepticism not only about medical announcements [regarding tobacco], but about the whole fitness trend of which the attacks on our products are often a part."

Concerning the American Cancer Society's "Great American Smokeout" [p.11]

"The Smokeout is 'a publicity campaign, a gimmick.' The money would be better spent on basic cancer research."

Philip Morris on their prized Marlboro product [p.18]

"The emphasis on Marlboro is obvious. It is the crown jewel of our portfolio due to its position as the world's most profitable trademark. Its younger smoker base also means that its profit stream has a longer time horizon than our other brands. Finally, because Marlboro is the focus of the financial community's attention, we cannot let its performance weaken."

Philip Morris furthers false scare strategy regarding ETS [p.22]

"In addition, the Board was also provided with an economic impact report, prepared by Philip Morris, estimating the revenue the airport [DWF] is likely to loose if the total [smoking] ban is enacted."

Philip Morris contradicts their scare strategy regarding ETS [p.25]

"...the economic arguments often used by the industry to scare off smoking ban activity were no longer working, if indeed they ever did. These arguments simply had no credibility with the public, which isn't surprising when you consider that our dire predictions in the past rarely came true."

R.J. Reynolds reports on the science of ETS (1986) [p.23]

"Dr. Hammond pointed out previous epidemiology studies have been hampered by the lack of good analytical data for ETS constituents. She indicated that serious misclassifications have resulted. 'However', she said, 'these misclassifications have tended to cause an underestimation of health effects of ETS.'"

...Her study investigated exposure of clerks, brakemen, engineers, and shop repair workers in the railroad industry. Not surprisingly, those exposed indoors, where smoking was permitted, had the heaviest portion of the RSP [respirable suspended particulates] exposure due to ETS."

Philip Morris reseachers receive report on ETS (1992) [p.24]

"In skin painting studies using sidestream smoke condensate on mice, it has been shown that sidestream smoke (SS) contains compounds that act under extreme conditions like a complete carcinogen. Very probably this will also be true for excessive inhaled doses of SS in rats."

EXECUTIVE SUMMARY

— IN THEIR OWN WORDS (CONTINUED) —

Why the tobacco industry opposes smoking restriction legislation [p.25]

"The immediate implications for our business are clear; if our consumers have fewer opportunities to enjoy our products, they will use them less frequently and the result will be an adverse impact on our bottom line."

On accommodation and preemption [p.25]

"Accommodation/pre-emption is vital to all the efforts of PM Corporate Affairs. If smoking is not seen as legitimate, our work on every other issue becomes that much more difficult."

How the industry affects local health initiatives [p.27]

"The legislation doesn't prevent boards of health from proposing bans, and it doesn't violate home rule; it just imposes a bureaucratic nightmare of hoops a board must jump through before they can get their smoking ban proposals on the books."

Purpose of the Tobacco Action Network [p.35]

"We have this structure, these resources, for one reason: To defeat measures deemed detrimental to the free and open working of the tobacco industry. In other words, to kill bills and other anti-tobacco bugaboos."

Philip Morris comments about their negative public image [p.36]

"Negative Image: ...While our primary goal may be to defeat onerous legislation, and protect our business interests, it would help if we could effectively convince people (society) that we are not the ultimate evil empire giant – that we are a company comprised of human beings – spouses, lovers, friends, parents, sons and daughters. To do this, we should repeatedly publicize and toot (or tout) our own horn, if you will."

Texas at ground zero in the industry's products liability battle [p.41]

"All of you will have received recently a package of material on the products liability bill currently before the Texas Senate, under cover of a memorandum from Don Walsh... A victory in Texas will send a clear and aggressive signal that Civil Liability Reform is still an important agenda item for the Business Community throughout the nation."

Effectiveness of the industry's Tobacco Action Network [p.44]

"In Longview, Texas, a front has begun to place a smoking ordinance in the city. To date, there has been one planning meeting which resulted in a study being done by the city council to determine if there is a need for a smoking ordinance. DM [district manager], Fred Spencer attended this meeting with a number of other PM employees and distributors and the city council was caught totally off guard that there would be any resistance at this point."

As a result of Fred and his group, the smoking ordinance decision was postponed and has gone to a committee appointed by the council."

Philip Morris strategy regarding Spanish-speaking immigrants to Texas [p.59]

"Important to reach them early as they shape their brand preferences in the U.S."

EXECUTIVE SUMMARY

— IN THEIR OWN WORDS (CONTINUED) —

Inconsistency in Philip Morris position on underage smoking legislation [p.46]

"Texas already has laws in place to restrict sales of cigarettes to minors. If these laws are not being adequately enforced, let's enforce them rather than adopt a whole new set of excessive regulations and fees."

Philip Morris states in May 1996: [p.47]

"Today, in our role as industry leader, we are taking another major step by proposing sweeping federal legislation to attack underage smoking. We encourage Congress to pass it swiftly."

Inconsistencies in the industry's position on advertising [p.51]

"Tobacco advertising does not cause people to smoke... 'There is little evidence that advertising results in additional smoking. As with many products, [cigarette] advertising mainly shifts consumers among brands.'"

Philip Morris states in 1988: [p.51]

"Marlboro's biggest source of smokers continues to be smokers with 'no previous brand,' roughly half of whom are starting smokers. In 1987 this group contributed 33% of Marlboro in-switchers. Internal Marlboro switching is the second largest component [23%]."

Purpose of Philip Morris-sponsored musical events [p.55]

"The aim of the Marlboro Music Festival was to have a continued presence in the Houston market during the entire month of July. This 'blitz' was achieved by Marlboro Music through 3 types of events... musicians performed in front of a backdrop with the Marlboro Music logo which covered the entire back wall of the stage. Marlboro Music banners and posters were placed around the clubs. Electronic message centers with programmed concert information were placed at each venue for the entire month of July..."

And... [p.54]

"The most effective way to reach the hispanic [*sic*] consumer is through entertainment. A latin music test program will aid Marlboro in its reach to all segments of the Hispanic universe."

Philip Morris commenting on Hispanic-targeted advertising [p.61]

"With minimal marketing support, Marlboro has achieved more than a third of the Hispanic smoker share. This clearly indicates Hispanic consumers have bought into the Marlboro Brand image in a 'big way.'"

Philip Morris on youth advertising for Marlboro [p.68]

"This means that our star product, Marlboro, its packaging, its advertising, is still relevant to the market. It appeals to young people. We must be doing something right..."

And... [p.69]

"last but not least, I'd like to talk to you about the effective way of using music to reach the youth market. Music tickles the senses. Music gets young peoples attention. It sets the brand apart. It helps remind the name and promise. It sets the right atmosphere. It gives continuity to advertising. It attracts young audiences. It has no cultural boundaries. It has universal appeal. Top hits in this country are likely to be top his in other world markets. The use of music to sell a product is nothing new. The Marlboro music certainly set the brand apart. It was unique and memorable..."

INTRODUCTION

The original design of this research project called for an examination, in comprehensive fashion, of tobacco industry activities within the state of Texas. After an exploratory review of the major online tobacco industry archives,¹ we found tens of thousands of possibly important documents. Therefore, we limited the scope of our research to only those documents specifically related to the current social and political environment in Texas.

In our review, we accidentally uncovered industry strategies not specifically related to Texas, but of significant historical importance. We have included this general information to aide the development of a more accurate and complete understanding of tobacco industry manipulation of U.S. and world political and social systems. We believe these findings represent an important contribution to the historical account of tobacco industry activity in the 20th century.

We have divided this study into nine sections: Framing the Policy Debate; Raining on the Parade of the Great American Smokeout; Manipulating Texas Public Policy; Community Involvement; Contributions and Lobbyists; The Tobacco Action Network; Advertising and Promotion; and Youth Marketing.

In section one, we summarize industry activity that falls under the heading of framing the policy debate about tobacco. The uncovered documents illustrate the tobacco industry undertook an intentional, malicious and concerted effort to stigmatize pro-health and anti-tobacco educators as radicals and zealots. Internal company memorandum reveal that tobacco executives implemented a political strategy designed to deflect criticism away from the lethal nature of their products and industry activities to promote, sell and encourage the use of these products. Industry officials accomplished this in part by characterizing public health educators as “meddling social do-gooders.” The tobacco industry initiated this strategy in an apparent effort to place health organizations as well as advocates in a defensive posture. Their sophisticated strategy forced thousands of volunteers, professional educators and many health entities to dedicate a significant portion of their limited resources to countering the intense public relations war fueled by the seemingly limitless resources of the tobacco industry.

We follow this thread in section two by exposing how the tobacco industry, led by Philip Morris and The Tobacco Institute, engaged in a campaign to discredit the American Cancer Society and tarnish their successful smoking cessation event, the Great American Smokeout.

¹ The major tobacco industry online archives we reviewed include the: Philip Morris Incorporated Tobacco Document Website; R.J. Reynolds Tobacco Company Document Website; Brown & Williamson/American Tobacco Company Document Website; Lorillard Tobacco Company Document Website; Tobacco Institute Document Website; and the Council for Tobacco Research Document Website. In addition, we also reviewed briefly the University of California San Francisco and Tobacco Documents Online archives.

In section three, we provide a historical account how industry representatives manipulate local and state public agendas. In some cases, industry-sponsored political pressure alters the legislative structure to allow passage of previously unpopular policies; in others cases, industry influence effectively blocks proposed legislation or successfully prevents its consideration by legislative entities.

Section four includes an overview of industry social events, strategies and public initiatives furthered throughout Texas and demonstrates how the industry uses these activities to impact communities and social organizations. While tobacco money has furthered the arts, assisted numerous non-profit activities and supported many community efforts, the underlying purpose of this seemingly charitable and philanthropic support has been to “bank good will” and diminish opposition to their harmful products. Industry officials have known for decades their products were on a “crash course” with society’s concerns about health. The documents illustrate how the industry surreptitiously uses these programs to delay the impending shift in public attitudes about tobacco products – and the industry in general.

Section five reveals how the tobacco industry strategically utilizes its extensive financial resources to fund candidates favorable to their political end game and support lobbyists who orchestrate the industry-sponsored policy activity. This section also details the industry’s practice of sponsoring popular sporting and other social events in Texas to further a pro-tobacco political agenda.

In section six, we provide an extensive historical review of the development, organizational strategy and specific activity of the Tobacco Action Network (TAN). No commercial enterprise initiates such a pervasive and all-encompassing program to mobilize a grassroots level campaign to assist sales, promotion and consumption of a product, while simultaneously providing a political base of support for its questionable activities.

Section seven focuses on the tactics and key strategies employed by the tobacco industry to advertise and promote their products in Texas. The documents illustrate the industry engaged in a multi-faceted campaign to target woman, African Americans, Hispanics and the young people of Texas. The industry applies sophisticated psychometric research to skillfully expose triggers that influence human behavior. Most importantly, the documents reveal the industry engages in an aggressive campaign to affect the subconscious minds of consumers and potential consumers alike.

In section eight, we focus exclusively on the issue of youth marketing. While industry representatives deny emphatically they target kids, teens and individuals under the legal age to consume tobacco products, the historical accounts demonstrate conclusively this is just another line of industry deception. As stated by a Philip Morris spokesperson, two of every three young people make brand decisions before they reach age 16. Smart marketers, therefore, tap the youth market to establish buying habits and brand loyalties that will be carried into adult years. Few will dispute that the tobacco executives are some of the “smartest” marketers to ever engage in capitalistic enterprise. As an industry, tobacco companies conduct more psychological and demographic research on potential consumers than any other industry in the history of the world. The evidence shows children are not exempt from their investigations.

Finally, in section nine, we conclude by summarizing the key findings disclosed in this report and provide some general observations about the consequences of the tobacco industry’s success.